

Calendar No. 388

105TH CONGRESS
2^D SESSION**S. 1325****[Report No. 105–196]**

To authorize appropriations for the Technology Administration of the Department of Commerce for fiscal years 1998 and 1999, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 28, 1997

Mr. FRIST (for himself, Mr. ROCKEFELLER, Mr. BURNS, Mr. HOLLINGS, Mr. THURMOND, Mr. SANTORUM, Mr. LEVIN, Mr. KERRY, Mr. ROBERTS, Mr. LIEBERMAN, Mr. BINGAMAN, Mr. MOYNIHAN, Ms. COLLINS, Mr. WELLSTONE, Mr. SPECTER, and Mr. DODD) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

MAY 22, 1998

Reported by Mr. MCCAIN, with amendments and an amendment to the title
[Omit the part struck through and insert the part printed in *italic*]

A BILL

To authorize appropriations for the Technology Administration of the Department of Commerce for fiscal years 1998 and 1999, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This title may be cited as the “~~Technology Adminis-~~
3 ~~tration Authorization Act for Fiscal Years 1998 and~~
4 ~~1999~~”.

5 *This Act may be cited as the Technology Administra-*
6 *tion Authorization Act for Fiscal Years 1998, 1999, and*
7 *2000.*

8 **SEC. 2. DEFINITIONS.**

9 In this title:

10 (1) DIRECTOR.—The term “Director” means
11 the Director of the National Institute of Standards
12 and Technology.

13 (2) MAJOR REORGANIZATION.—With respect to
14 the National Institute of Standards and Technology,
15 the term “major reorganization” means any reorga-
16 nization of the Institute that involves the reassign-
17 ment of more than 25 percent of the employees of
18 the National Institute of Standards and Technology.

19 (3) SECRETARY.—The term “Secretary” means
20 the Secretary of Commerce.

21 **SEC. 3. AUTHORIZATION OF APPROPRIATIONS FOR SCI-**
22 **ENTIFIC AND TECHNICAL RESEARCH AND**
23 **SERVICES.**

24 (a) LABORATORY ACTIVITIES.—There are authorized
25 to be appropriated to the Department of Commerce for
26 use by the Secretary of Commerce for the Scientific and

1 Technical Research and Services laboratory activities of
 2 the National Institute of Standards and Technology—

3 (1) ~~\$278,352,000 for fiscal year 1998; and~~
 4 *\$271,900,000 for fiscal year 1998;*

5 (2) ~~\$287,658,000 for fiscal year 1999.~~ *1999;*
 6 *and*

7 (3) *\$296,287,000 for fiscal year 2000.*

8 (b) CONSTRUCTION AND MAINTENANCE.—

9 (1) IN GENERAL.—There are authorized to be
 10 appropriated to the Department of Commerce for
 11 use by the Secretary of Commerce for construction
 12 and maintenance of facilities of the National Insti-
 13 tute of Standards and Technology—

14 (A) ~~\$16,692,000 for fiscal year 1998; and~~
 15 *\$95,000,000 for fiscal year 1998;*

16 (B) ~~\$67,000,000 for fiscal year 1999.~~
 17 *1999; and*

18 (C) *\$56,700,000 for fiscal year 2000.*

19 (2) PROHIBITION.—None of the funds author-
 20 ized by paragraph (1)(B) for construction of facili-
 21 ties may be obligated unless the Secretary of Com-
 22 merce has certified to the Committee on Commerce,
 23 Science, and Transportation of the Senate and the
 24 Committee on Science of the House of Representa-
 25 tives that the obligation of funds is consistent with

1 a plan for meeting the needs of the facilities of the
 2 National Institute of Standards and Technology that
 3 the Secretary has transmitted to those committees.

4 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS FOR THE OF-**
 5 **FICE OF THE UNDER SECRETARY FOR TECH-**
 6 **NOLOGY.**

7 There are authorized to be appropriated to the De-
 8 partment of Commerce for use by the Secretary of Com-
 9 merce for the activities of the Under Secretary for Tech-
 10 nology, the Office of Technology Policy, and the Office of
 11 Air and Space Commercialization (as established under
 12 section 415 of this title)—

13 (1) ~~\$9,230,000 for fiscal year 1998; and~~
 14 *\$8,500,000 for fiscal year 1998;*

15 (2) \$10,807,400 for fiscal year ~~1999.~~ *1999; and*

16 (3) *\$11,132,000 for fiscal year 2000.*

17 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR INDUS-**
 18 **TRIAL TECHNOLOGY SERVICES.**

19 There are authorized to be appropriated to the De-
 20 partment of Commerce for use by the Secretary of Com-
 21 merce for the industrial technology services activities of
 22 the National Institute of Standards and Technology—

23 (1) ~~\$309,040,000~~ *\$306,000,000* for fiscal year
 24 1998, of which—

1 (A) ~~\$198,000,000~~ \$192,500,000 shall be for
 2 the Advanced Technology Program under sec-
 3 tion 28 of the National Institute of Standards
 4 and Technology Act (15 U.S.C. 278n); and

5 (B) ~~\$111,040,000~~ \$113,500,000 shall be
 6 for the manufacturing extension partnerships
 7 program under sections 25 and 26 of the Na-
 8 tional Institute of Standards and Technology
 9 Act (15 U.S.C. 278k and 278l); ~~and~~

10 (2) \$318,371,000 for fiscal year 1999, of
 11 which—

12 (A) \$204,000,000 shall be for the Ad-
 13 vanced Technology Program under section 28
 14 of the National Institute of Standards and
 15 Technology Act (15 U.S.C. 278n); and

16 (B) \$114,371,000 shall be for the manu-
 17 facturing extension partnerships program under
 18 sections ~~5~~ 25 and 26 of the National Institute
 19 of Standards and Technology Act (15 U.S.C.
 20 278k and ~~278l~~); *and*

21 (3) \$324,491,000 for fiscal year 2000, of which—

22 (A) \$210,120,000 shall be for the Advanced
 23 Technology Program under section 28 of the Na-
 24 tional Institute of Standards and Technology Act
 25 (15 U.S.C. 278n); *and*

1 (B) \$114,371,000 shall be for the manufac-
 2 turing extension partnerships program under
 3 sections 25 and 26 of the National Institute of
 4 Standards and Technology Act (15 U.S.C. 278k
 5 and 278l).

6 **SEC. 6. NATIONAL INSTITUTE OF STANDARDS AND TECH-**
 7 **NOLOGY ACT AMENDMENTS.**

8 (a) AMENDMENTS.—Section 28 of the National Insti-
 9 tute of Standards and Technology Act (15 U.S.C. 278n)
 10 is amended—

11 (1) in subsection (d)—

12 (A) in paragraph (1)—

13 (i) by inserting “(A)” after “(1)”;

14 (ii) by inserting “and be of a nature
 15 and scope that would not be pursued in a
 16 timely manner without Federal assistance”
 17 after “technical merit”; and

18 (iii) by adding at the end the follow-
 19 ing:

20 “(B) Each applicant for a contract or
 21 award under the Program shall certify that the
 22 applicant has made an effort to secure private
 23 market funding for the research project in-
 24 volved. That certification shall include a written

1 narrative description of the efforts made by the
2 applicant to secure that funding.”; and

3 (B) by adding at the end the following:

4 “(12) A large business may participate in a re-
5 search project that is the subject of a contract or
6 award under paragraph (3) only as a member of a
7 joint venture that includes 1 or more small busi-
8 nesses as members.”;

9 (2) in subsection (j)—

10 (A) by striking “and” at the end of para-
11 graph (1);

12 (B) by redesignating paragraph (2) as
13 paragraph (5); and

14 (C) by inserting after paragraph (1) the
15 following:

16 “(2) the term ‘large business’ means a business
17 that—

18 “(A) is not a small business; and

19 “(B) has gross annual revenues in an
20 amount greater than \$2,500,000,000;

21 “(3) the term ‘medium business’ means a busi-
22 ness that—

23 “(A) is not a small business; and

24 “(B) has gross annual revenues in an
25 amount less than or equal to \$2,500,000,000;

1 “(4) the term ‘small business’ means a small
2 business concern, as described in section 3(a)(1) of
3 the Small Business Act (15 U.S.C. 632(a)(1)); and”;

4 (3) by redesignating subsection (j) as sub-
5 section (m); and

6 (4) by inserting after subsection (i) the follow-
7 ing:

8 “(j) Notwithstanding subsection (b)(1)(B) and sub-
9 section (d)(3), the Director may grant an extension be-
10 yond the applicable deadline specified in subsection
11 (b)(1)(B) or (d)(3) for a joint venture or single applicant
12 recipient of assistance to expend Federal funds to com-
13 plete the project assisted with that assistance, if that ex-
14 tension—

15 “(1) is granted with no additional cost to the
16 Federal Government; and

17 “(2) is in the interest of the Federal Govern-
18 ment.

19 “(k)(1) The Secretary, acting through the Director,
20 may vest title to tangible personal property in any recipi-
21 ent of financial assistance under this section if—

22 “(A) the property is purchased with funds pro-
23 vided under this section; and

1 “(B) the Secretary, acting through the Direc-
 2 tor, determines that the vesting of such property
 3 furthers the objectives of the Institute.

4 “(2) Vesting under this subsection shall—

5 “(A) be subject to such limitations as are pre-
 6 scribed by the Secretary, acting through the Direc-
 7 tor; and

8 “(B) be made without further obligation to the
 9 United States Government.

10 In carrying out this section, the Secretary, acting through
 11 the Director, shall ensure that the requirements of Cir-
 12 cular No. A-110 issued by the Office of Management and
 13 Budget are met with respect to the valuation of cost-share
 14 items used by participants in the ~~Program.~~ *Program.*

15 “(l) *AWARDS BASED ON COMPETITION.—All amounts*
 16 *appropriated for grants under subsection (b) for fiscal years*
 17 *beginning after the date of enactment of the Technology Ad-*
 18 *ministration Authorization Act for Fiscal Years 1998,*
 19 *1999, and 2000 shall be used for grants awarded on the*
 20 *basis of general open competition.”.*

21 (b) ADDITIONAL AMENDMENT.—

22 (1) IN GENERAL.—Section 28(d)(11)(A) of the
 23 National Institute of Standards and Technology Act
 24 (15 U.S.C. 278n(d)(11)(A)) is amended by striking
 25 the period at the end of the first sentence and in-

1 serting the following: “or any other university or
 2 nonprofit awardee or subawardee (as those terms
 3 are defined by the Secretary) receiving financial as-
 4 sistance under this section, as agreed by the parties,
 5 notwithstanding the requirements of chapter 18 of
 6 title 35, United States Code.”.

7 (2) APPLICABILITY.—The amendment made by
 8 this subsection shall apply only with respect to as-
 9 sistance for which solicitations for proposals are
 10 made after the date of enactment of this title.

11 **SEC. 7. MANUFACTURING EXTENSION PARTNERSHIP PRO-**
 12 **GRAM CENTER EXTENSION.**

13 Section 25(c)(5) of the National Institute of Stand-
 14 ards and Technology Act (15 U.S.C. 278k(c)(5)) is
 15 amended by striking “, which are designed” and all that
 16 follows through “operation of a Center.” and inserting
 17 “: After the sixth year, a Center may receive additional
 18 financial support under this section if that Center has re-
 19 ceived a positive evaluation through a review, under proce-
 20 dures and criteria established by the Institute. The review
 21 referred to in the preceding sentence shall be required not
 22 later than 2 years after the sixth year, and not less fre-
 23 quently than every 2 years thereafter. The funding re-
 24 ceived by a Center for a fiscal year under this section after
 25 the sixth year of operation shall be for capital and annual

1 operating expenses and maintenance costs. The proportion
 2 of funding that the Center receives after the sixth year
 3 of operation from funds made available to carry out this
 4 section for the costs referred to in the preceding sentence
 5 shall not exceed the proportion of that funding received
 6 by the Center for each of those costs during the sixth year
 7 of operation of the Center.”.

8 **SEC. 8. MALCOLM BALDRIGE NATIONAL QUALITY AWARD.**

9 Section 17(c)(1) of the Stevenson-Wydler Technology
 10 Innovation Act of 1980 (15 U.S.C. 3711a(c)(1)) is amend-
 11 ed by adding at the end the following:

12 “(D) Health care providers.

13 “(E) Education providers.”.

14 **SEC. 9. NEXT GENERATION INTERNET.**

15 (a) IN GENERAL.—Except as provided in subsection
 16 (b), none of the funds authorized by this title, or any other
 17 Act enacted before the date of enactment of this Act, may
 18 be used for the programs and activities for the Internet
 19 project known as the “Next Generation Internet”.

20 (b) EXCEPTION.—Notwithstanding subsection (a),
 21 funds described in that subsection may be used for the
 22 continuation of programs and activities related to Next
 23 Generation Internet that were funded and carried out dur-
 24 ing fiscal year 1997.

1 **SEC. 10. NOTICE.**

2 (a) NOTICE OF REPROGRAMMING.—If any funds ap-
3 propriated pursuant to the amendments made by this Act
4 are subject to a reprogramming action that requires notice
5 to be provided to the Committees on Appropriations of the
6 Senate and the House of Representatives, notice of that
7 action shall concurrently be provided to the Committee on
8 Commerce, Science, and Transportation of the Senate and
9 the Committee on Science of the House of Representa-
10 tives.

11 (b) NOTICE OF REORGANIZATION.—Not later than
12 15 days before any major reorganization of any program,
13 project, or activity of the National Institute of Standards
14 and Technology, the Director shall provide notice to the
15 Committees on Commerce, Science, and Transportation
16 and Appropriations of the Senate and the Committees on
17 Science and Appropriations of the House of Representa-
18 tives.

19 **SEC. 11. SENSE OF CONGRESS ON THE YEAR 2000 PROBLEM.**

20 With the year 2000 rapidly approaching, it is the
21 sense of Congress that the Director should—

22 (1) give high priority to correcting all 2-digit
23 date-related problems in the computer systems of
24 the National Institute of Standards and Technology
25 to ensure that those systems continue to operate ef-
26 fectively in the year 2000 and in subsequent years;

1 (2) as soon as practicable after the date of en-
 2 actment of this title, assess the extent of the risk to
 3 the operations of the National Institute of Standards
 4 and Technology posed by the problems referred to in
 5 paragraph (1), and plan and budget for achieving
 6 compliance for all of the mission-critical systems of
 7 the system by the year 2000; and

8 (3) develop contingency plans for those systems
 9 that the National Institute of Standards and Tech-
 10 nology is unable to correct by the year 2000.

11 **SEC. 12. ENHANCEMENT OF SCIENCE AND MATHEMATICS**

12 **PROGRAMS.**

13 (a) DEFINITIONS.—In this section—

14 (1) EDUCATIONALLY USEFUL FEDERAL EQUIP-
 15 MENT.—The term “educationally useful Federal
 16 equipment” means computers and related peripheral
 17 tools and research equipment that is appropriate for
 18 use in schools.

19 (2) SCHOOL.—The term “school” means a pub-
 20 lic or private educational institution that serves any
 21 of the grades of kindergarten through grade 12.

22 (b) SENSE OF CONGRESS—

23 (1) IN GENERAL.—It is the sense of Congress
 24 that the Director should, to the greatest extent prac-
 25 ticable and in a manner consistent with applicable

1 Federal law (including Executive Order No. 12999),
2 donate educationally useful Federal equipment to
3 schools in order to enhance the science and mathe-
4 matics programs of those schools.

5 (2) REPORTS—

6 (A) IN GENERAL.—Not later than 1 year
7 after the date of enactment of this title, and an-
8 nually thereafter, the Director shall prepare
9 and submit to the President a report. The
10 President shall submit the report to Congress
11 at the same time as the President submits a
12 budget request to Congress under section
13 1105(a) of title 31, United States Code.

14 (B) CONTENTS OF REPORT.—The report
15 prepared by the Director under this paragraph
16 shall describe any donations of educationally
17 useful Federal equipment to schools made dur-
18 ing the period covered by the report.

19 **SEC. 13. TEACHER SCIENCE AND TECHNOLOGY ENHANCE-**
20 **MENT INSTITUTE PROGRAM.**

21 (a) IN GENERAL.—The National Institute of Stand-
22 ards and Technology Act (15 U.S.C. 271 et seq.) is
23 amended by inserting after section 19 the following:

1 “SEC. 19A. (a) The Director shall establish within the
2 Institute a teacher science and technology enhancement
3 program.

4 “(b) The purpose of the program under this section
5 shall be to provide for professional development of mathe-
6 matics and science teachers of elementary, middle, and
7 secondary schools (as those terms are defined by the Di-
8 rector), including providing for the improvement of those
9 teachers with respect to the teaching of science—

10 “(1) teaching strategies;

11 “(2) self-confidence; and

12 “(3) the understanding of science and the im-
13 pacts of science on commerce.

14 “(c) In carrying out the program under this section,
15 the Director shall focus on the areas of—

16 “(1) scientific measurements;

17 “(2) tests and standards development;

18 “(3) industrial competitiveness and quality;

19 “(4) manufacturing;

20 “(5) technology transfer; and

21 “(6) any other area of expertise of the Institute
22 that the Director determines to be appropriate.

23 “(d) The Director shall develop and issue procedures
24 and selection criteria for participants in the program.

1 Each such participant shall be a teacher described in sub-
2 section (b).

3 “(e) The Director shall issue awards under the pro-
4 gram to participants. In issuing the awards, the Director
5 shall ensure that the maximum number of participants
6 practicable participate in the program. In order to ensure
7 a maximum level of participation of participants, the pro-
8 gram under this section shall be conducted on an annual
9 basis during the summer months, during the period of
10 time when a majority of elementary, middle, and second-
11 ary schools have not commenced a school year.

12 “(f) The program shall provide for teachers participa-
13 tion in activities at the Institute laboratory facilities of the
14 Institute.”.

15 (b) AVAILABILITY OF FUNDS.—The following
16 amounts of the funds made available by appropriations
17 pursuant to section 3(a) shall be used to carry out the
18 teacher science and technology enhancement program
19 under section 19A of the National Institute of Standards
20 and Technology, as added by subsection (a) of this section:

21 (1) \$1,500,000 for fiscal year 1998.

22 (2) \$2,500,000 for fiscal year 1999.

1 **SEC. 14. JOINT STUDY BY THE NATIONAL ACADEMY OF**
2 **SCIENCE AND THE NATIONAL ACADEMY OF**
3 **ENGINEERING.**

4 (a) IN GENERAL.—

5 (1) CONTRACT.—Not later than 90 days after
6 the date of enactment of this title, the Secretary of
7 Commerce shall enter into a contract with the Na-
8 tional Academy of Science and the National Acad-
9 emy of Engineering to provide for a joint study to
10 be conducted by those academies under this section.

11 (2) RULE OF CONSTRUCTION.—Nothing in this
12 subsection shall be construed to apply the Federal
13 Advisory Committee Act (5 U.S.C. App.) to the Na-
14 tional Academy of Science or the National Academy
15 of Engineering.

16 (b) STUDY PANEL.—In carrying out the study under
17 this section, the appropriate officials of the National Acad-
18 emy of Science and the National Academy of Engineering
19 shall establish a study panel. The members appointed to
20 the study panel shall include—

21 (1) industry and labor leaders;

22 (2) entrepreneurs;

23 (3) individuals who—

24 (A) have previously served as government
25 officials; and

1 (B) have recognized expertise and experi-
2 ence with respect to civilian research and tech-
3 nology; and

4 (4) individuals with recognized expertise and
5 experience with respect to science and technology,
6 including individuals who have had experience work-
7 ing with or for a Federal laboratory.

8 (c) CONTENTS OF STUDY.—The study conducted
9 under this section shall—

10 (1) provide for a thorough review of the effec-
11 tiveness of the Advanced Technology Program (re-
12 ferred to in this section as the “Program”) under
13 section 28 of the National Institute of Standards
14 and Technology Act (15 U.S.C. 278n);

15 (2) carry out a root cause analysis to deter-
16 mine—

17 (A) which aspects of the Program have
18 been effective in stimulating the development of
19 technology; and

20 (B) strategies used to conduct the Pro-
21 gram that have failed; and

22 (3) examine alternative approaches to accom-
23 plish the purposes of the Program.

24 (d) REPORT.—Not later than 1 year after the Sec-
25 retary of Commerce enters into contracts under subsection

1 (a) for the conduct of the joint study under this section,
 2 the study panel established under subsection (b) shall pre-
 3 pare, and submit to the Secretary of Commerce, for trans-
 4 mittal to the President and Congress, a study that in-
 5 cludes the findings of the panel with respect to the results
 6 of the study.

7 **SEC. 15. OFFICE OF AIR AND SPACE COMMERCIALIZATION.**

8 (a) **ESTABLISHMENT.**—There is established within
 9 the Department of Commerce an Office of Air and Space
 10 Commercialization (referred to in this section as the “Of-
 11 fice”).

12 (b) **DIRECTOR.**—The Office shall be headed by a Di-
 13 rector, who shall be a senior executive and shall be com-
 14 pensated at a level in the Senior Executive Service under
 15 section 5382 of title 5, United States Code, as determined
 16 by the Secretary of Commerce.

17 (c) **FUNCTIONS OF THE OFFICE; DUTIES OF THE DI-**
 18 **RECTOR.**—The Office shall be the principal unit for the
 19 coordination of space-related issues, programs, and initia-
 20 tives within the Department of Commerce. The primary
 21 responsibilities of the Director, in carrying out the func-
 22 tions of the Office, shall include—

23 (1) promoting commercial provider investment
 24 in space activities by collecting, analyzing, and dis-
 25 seminating information on space markets, and con-

1 ducting workshops and seminars to increase aware-
2 ness of commercial space opportunities;

3 (2) assisting United States commercial provid-
4 ers in the efforts of those providers to conduct busi-
5 ness with the United States Government;

6 (3) acting as an industry advocate within the
7 executive branch of the Federal Government to en-
8 sure that the Federal Government meets the space-
9 related requirements of the Federal Government, to
10 the fullest extent feasible, with respect to commer-
11 cially available space goods and services;

12 (4) ensuring that the United States Govern-
13 ment does not compete with United States commer-
14 cial providers in the provision of space hardware and
15 services otherwise available from United States com-
16 mercial providers;

17 (5) promoting the export of space-related goods
18 and services;

19 (6) representing the Department of Commerce
20 in the development of United States policies and in
21 negotiations with foreign countries to ensure free
22 and fair trade internationally in the area of space
23 commerce; and

24 (7) seeking the removal of legal, policy, and in-
25 stitutional impediments to space commerce.

1 **SEC. 16. EXPERIMENTAL PROGRAM TO STIMULATE COM-**
2 **PETITIVE TECHNOLOGY.**

3 (a) IN GENERAL.—Section 5 of the Stevenson Wydler
4 Technology Innovation Act of 1980 (15 U.S.C. 3704) is
5 amended by adding at the end the following:

6 “(f) EXPERIMENTAL PROGRAM TO STIMULATE COM-
7 PETITIVE TECHNOLOGY.—

8 “(1) IN GENERAL.—The Secretary, acting
9 through the Under Secretary, shall establish a pro-
10 gram to be known as the Experimental Program to
11 Stimulate Competitive Technology (referred to in
12 this subsection as the ‘program’). The purpose of
13 the program shall be to strengthen the technological
14 competitiveness of those States that have historically
15 received less Federal research and development
16 funds than those received by a majority of the
17 States.

18 “(2) ARRANGEMENTS.—In carrying out the
19 program, the Secretary, acting through the Under
20 Secretary, shall—

21 “(A) enter into such arrangements as may
22 be necessary to provide for the coordination of
23 the program through the State committees es-
24 tablished under the Experimental Program to
25 Stimulate Competitive Research of the National
26 Science Foundation; and

1 “(B) cooperate with—

2 “(i) any State science and technology
3 council established under the program
4 under subparagraph (A); and

5 “(ii) representatives of small business
6 firms and other appropriate technology-
7 based businesses.

8 “(3) GRANTS.—In carrying out the program,
9 the Secretary, acting through the Under Secretary,
10 may make grants or enter into cooperative agree-
11 ments to provide, for—

12 “(A) technology research and development;

13 “(B) technology transfer from university
14 research;

15 “(C) technology deployment and diffusion;
16 and

17 “(D) the strengthening of technological ca-
18 pabilities through consortia comprised of—

19 “(i) technology-based small business
20 firms;

21 “(ii) industries and emerging compa-
22 nies;

23 “(iii) universities; and

24 “(iv) State and local development
25 agencies and entities.

1 “(4) REQUIREMENTS FOR MAKING AWARDS.—

2 “(A) IN GENERAL.—In making grant
3 awards under this subsection, the Secretary,
4 acting through the Under Secretary, shall en-
5 sure that the awards are awarded on a competi-
6 tive basis that includes a review of the merits
7 of the activities that are the subject of the
8 award.

9 “(B) MATCHING REQUIREMENT.—The
10 non-Federal share of the activities (other than
11 planning activities) carried out under a grant
12 under this subsection shall be not less than 25
13 percent of the cost of those activities.

14 “(5) CRITERIA FOR STATES.—With respect to
15 States that participate in the program, the Sec-
16 retary, acting through the Under Secretary, shall es-
17 tablish criteria for achievement by each State that
18 participates in the program. Upon the achievement
19 of all such criteria, a State shall cease to be eligible
20 to participate in the program.

21 “(6) COORDINATION.—To the extent prac-
22 ticable, in carrying out this section, the Secretary,
23 acting through the Under Secretary, shall coordinate
24 the program with other programs of the Department
25 of Commerce.

1 “(7) REPORT.—

2 “(A) IN GENERAL.—Not later than 90
3 days after the date of enactment of the Tech-
4 nology Administration Authorization Act for
5 Fiscal Years 1998 and 1999, the Under Sec-
6 retary shall prepare and submit a report that
7 meets the requirements of this paragraph to the
8 Secretary. Upon receipt of the report, the Sec-
9 retary shall transmit a copy of the report to the
10 Committee on Commerce, Science, and Trans-
11 portation of the Senate and the Committee on
12 Science of the House of Representatives.

13 “(B) REQUIREMENTS FOR REPORT.—The
14 report prepared under this paragraph shall con-
15 tain with respect to the program—

16 “(i) a description of the structure and
17 procedures of the program;

18 “(ii) a management plan for the pro-
19 gram;

20 “(iii) a description of the merit-based
21 review process to be used in the program;

22 “(iv) milestones for the evaluation of
23 activities to be assisted under the program
24 in each of fiscal years 1998 and 1999;

1 “(v) an assessment of the eligibility of
 2 each State that participates in the Experi-
 3 mental Program to Stimulate Competitive
 4 Research of the National Science Founda-
 5 tion to participate in the program under
 6 this subsection; and

7 “(vi) the evaluation criteria with re-
 8 spect to which the overall management and
 9 effectiveness of the program will be evalu-
 10 ated pursuant to paragraph (8).

11 “(8) EVALUATION.—Not earlier than the date
 12 that is 4 years after the date on which the program
 13 is established, the Secretary, acting through the
 14 Under Secretary, shall carry out an evaluation of the
 15 program. In carrying out the evaluation the Sec-
 16 retary, acting through the Under Secretary, shall
 17 apply the criteria described in paragraph
 18 (7)(B)(vi).”.

19 (b) FUNDING.—Of the amounts made available by
 20 appropriations pursuant to section 4—

21 (1) for fiscal year 1998, \$1,650,000 shall be
 22 used to carry out the Experimental Program to
 23 Stimulate Competitive Technology established under
 24 section 5(f) of the Stevenson Wydler Technology In-

1 novation Act of 1980, as added by subsection (a) of
 2 this section; and

3 (2) for fiscal year 1999, \$3,000,000 shall be
 4 used to carry out the program referred to in para-
 5 graph (1).

6 **SEC. 17. FEDERAL AVIATION ADMINISTRATION AS ALTER-**
 7 **NATIVE QUALITY AUTHORITY.**

8 *Any fastener used on an aircraft or component, sys-*
 9 *tem, subassembly, or part of an aircraft that has been man-*
 10 *ufactured or altered by, or under the direction and control*
 11 *of, the holder of a Type Certificate, Production Certificate,*
 12 *Parts Manufacturer Approval, or Technical Standard*
 13 *Order Authorization issued by the Federal Aviation Admin-*
 14 *istration, or manufactured or altered subject to a quality*
 15 *assurance program approved by the Federal Aviation Ad-*
 16 *ministration, is deemed to comply with the provisions of*
 17 *the Fastener Quality Act (15 U.S.C. 1501 et seq.) and any*
 18 *regulation issued thereunder.*

19 **SEC. 18. INTERNATIONAL ARCTIC RESEARCH CENTER.**

20 *There are authorized to be appropriated \$5,000,000 for*
 21 *each of fiscal years 1999 and 2000 for the Federal share*
 22 *of the administrative costs of the International Arctic Re-*
 23 *search Center.*

Amend the title so as to read: “A Bill to authorize
 appropriations for the Technology Administration of the

Department of Commerce for fiscal years 1998, 1999,
and 2000, and for other purposes.”.

Calendar No. 388

105TH CONGRESS
2^D Session

H. R. 1325

[Report No. 105-196]

A BILL

To authorize appropriations for the Technology Administration of the Department of Commerce for fiscal years 1998 and 1999, and for other purposes.

MAY 22, 1998

Reported with amendments and an amendment to the title